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USDOC FOR 532/OEA/LHINES/DFARROW
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR
WILLIAM ZARIT
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A
TAGS: BMGT BEXP HK ETRD ETTC
SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: STARLITE
PRINTERS LTD.

REF: A) USDOC 03924 B) D375208

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) conducted a pre-license check (PLC) at Starlite Printers Ltd., 31 Tai Yau St, 3/F, Kowloon, Hong Kong (Starlite Printers). The purpose of the visit was to determine the suitability of Starlite Printers to be a recipient of two non-metallic, double diaphragm pumps that are the subject of license application D375208. The items (ECCN 2B350) are valued at USD 1094 and are controlled for chemical and biological weapons reasons (CB). The license applicant is Ingersoll-Rand Company of Woodcliff Lake, New Jersey.

¶3. A review of Hong Kong Companies Registry records reveals that Starlite Printers has been in existence since 1980. Its paid-in capital is the Hong Kong equivalent of USD 600,000. Hong Kong identity card holders Kwong Yu Lam and Chui Yeung are directors.

¶4. On May 21, 2007, the ECO visited Starlite Printers at the address above and met with Ms. Pauline Chan, Assistant Manager of the Materials Department. Ms. Chan stated that Starlite Printers is a multinational printing company with its headquarters in Hong Kong and production facilities in Singapore and mainland China (www.hkstarlite.com). The parent company and corporate headquarters are located in Hong Kong. Ms. Chan stated that approximately 100 employees work at the Hong Kong offices and they are responsible for a range of management, design, procurement and shipping matters on behalf of the Starlite group.

¶5. According to Ms. Chan, the pumps will be used in Starlite Printers's Shenzhen facility. Ms. Chan did not appear to be expert in the exact use of the pumps but documentation she provided indicated that the pumps would be used as part of a printing process utilizing water based varnish. She further stated that the pumps would be spares

to ensure that the existing machine remains in operation in the event of pump failure in the existing machine(s).

¶6. Ms. Chan provided the ECO with all relevant documentation in respect of the order. She was well versed in Hong Kong TID trade controls and understood that the pumps are controlled and subject to U.S. export licensing requirements. ECO took the occasion to inform Ms. Chan of BIS reexport controls and provided her with BIS outreach documentation on reexport controls.

¶7. At the time visited, Starlite Printers appeared to be a suitable recipient of the subject controlled items since it cooperated fully with the PLC and provided information on the proposed use of the items. In addition, Starlite Printers operates a line a business that is consistent with the potential use of the ordered items. However, ECO notes that he was not able to view the production facility where the item will be used as it is in mainland China. The ECO recommends that this PLC be classified as Favorable.

Cunningham